

# HOUSE BILL 537

N1, C2

11r1805

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By: **Delegate Braveboy**

Introduced and read first time: February 8, 2011

Assigned to: Environmental Matters

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## A BILL ENTITLED

1 AN ACT concerning

2 **Real Property – State Community Association Managers Registry**

3 FOR the purpose of requiring the Department of Labor, Licensing, and Regulation to  
4 establish a certain registry of entities providing certain community association  
5 management services for condominiums, homeowners associations, or  
6 cooperative housing corporations located in the State; requiring certain entities  
7 to register with the registry; requiring an entity to register annually by a  
8 certain date; requiring the Department to provide the registration form and  
9 collect a certain fee; requiring the annual fee to be a certain amount; requiring  
10 certain information to be included in the registration form; authorizing the  
11 Department to make certain information available to the public subject to  
12 certain provisions; making a willful violation of this Act a misdemeanor subject  
13 on conviction to a certain penalty; defining certain terms; and generally relating  
14 to the registration of entities providing community association property  
15 management services in the State.

16 BY adding to

17 Article – Real Property

18 Section 14–131.1

19 Annotated Code of Maryland

20 (2010 Replacement Volume and 2010 Supplement)

21 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
22 MARYLAND, That the Laws of Maryland read as follows:

23 **Article – Real Property**

24 **14–131.1.**

25 **(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE**  
26 **MEANINGS INDICATED.**

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1           **(2) “COMMUNITY ASSOCIATION” MEANS:**

2                   **(I) A CONDOMINIUM COUNCIL OF UNIT OWNERS**  
3 **ORGANIZED UNDER TITLE 11, SUBTITLE 1 OF THIS ARTICLE;**

4                   **(II) A HOMEOWNERS ASSOCIATION ORGANIZED UNDER**  
5 **TITLE 11B OF THIS ARTICLE; OR**

6                   **(III) A COOPERATIVE HOUSING CORPORATION ORGANIZED**  
7 **UNDER TITLE 5, SUBTITLE 6B OF THE CORPORATIONS AND ASSOCIATIONS**  
8 **ARTICLE.**

9           **(3) “COMMUNITY ASSOCIATION MANAGEMENT” MEANS**  
10 **MANAGEMENT OF THE COMMON PROPERTY AND SERVICES OF A COMMUNITY**  
11 **ASSOCIATION WITH THE AUTHORITY OF THE COMMUNITY ASSOCIATION IN ITS**  
12 **BUSINESS, LEGAL, FINANCIAL, OR OTHER TRANSACTIONS WITH ASSOCIATION**  
13 **MEMBERS AND NONMEMBERS FOR A FEE, COMMISSION, OR OTHER VALUABLE**  
14 **CONSIDERATION, INCLUDING:**

15                   **(I) COLLECTING MONTHLY ASSESSMENTS;**

16                   **(II) PREPARING BUDGETS, FINANCIAL STATEMENTS, OR**  
17 **OTHER FINANCIAL REPORTS;**

18                   **(III) NEGOTIATING CONTRACTS OR OTHERWISE**  
19 **COORDINATING OR ARRANGING FOR SERVICES OR THE PURCHASE OF**  
20 **PROPERTY OR GOODS FOR OR ON BEHALF OF A COMMUNITY ASSOCIATION;**

21                   **(IV) EXECUTING THE RESOLUTIONS AND DECISIONS OF A**  
22 **COMMUNITY ASSOCIATION AND ASSISTING THE GOVERNING BODY OF A**  
23 **COMMUNITY ASSOCIATION AND ASSOCIATION MEMBERS IN COMPLYING WITH**  
24 **LAWS, CONTRACTS, COVENANTS, RULES, AND BYLAWS;**

25                   **(V) MANAGING THE OPERATION AND MAINTENANCE OF**  
26 **COMMUNITY-OWNED PROPERTIES, INCLUDING COMMUNITY CENTERS, POOLS,**  
27 **GOLF COURSES, AND PARKING AREAS; AND**

28                   **(VI) ARRANGING, CONDUCTING, OR COORDINATING**  
29 **MEETINGS OF A COMMUNITY ASSOCIATION OR THE GOVERNING BODY OF AN**  
30 **ASSOCIATION.**

31           **(4) “DEPARTMENT” MEANS THE DEPARTMENT OF LABOR,**  
32 **LICENSING, AND REGULATION.**

1           **(5) "REGISTRY" MEANS THE STATE COMMUNITY ASSOCIATION**  
2 **MANAGERS REGISTRY.**

3           **(B) ON OR AFTER JANUARY 1, 2012, THE DEPARTMENT SHALL**  
4 **ESTABLISH THE STATE COMMUNITY ASSOCIATION MANAGERS REGISTRY.**

5           **(C) ANY ENTITY, INCLUDING A SOLE PROPRIETORSHIP, THAT PROVIDES**  
6 **COMMUNITY ASSOCIATION MANAGEMENT SERVICES FOR COMMUNITY**  
7 **ASSOCIATIONS LOCATED IN THE STATE SHALL REGISTER WITH THE REGISTRY**  
8 **AND RENEW ITS REGISTRATION BY JANUARY 31 OF EACH YEAR.**

9           **(D) (1) THE DEPARTMENT SHALL:**

10                   **(I) PROVIDE THE REGISTRATION FORM; AND**

11                   **(II) COLLECT A FEE FROM EACH ENTITY THAT REGISTERS**  
12 **UNDER THIS SECTION.**

13                   **(2) THE ANNUAL FEE TO REGISTER UNDER THIS SECTION IS \$250.**

14           **(E) THE REGISTRATION FORM SHALL INCLUDE:**

15                   **(1) THE NAME, ADDRESS, AND TELEPHONE NUMBER OF THE**  
16 **ENTITY PROVIDING COMMUNITY ASSOCIATION MANAGEMENT SERVICES;**

17                   **(2) THE NAMES, TITLES, AND BUSINESS TELEPHONE NUMBERS OF**  
18 **THE PRINCIPAL OFFICERS OF THE ENTITY;**

19                   **(3) THE DESIGNATED CONTACT PERSON OF THE ENTITY,**  
20 **INCLUDING NAME, ADDRESS, TITLE, TELEPHONE NUMBER, AND ELECTRONIC**  
21 **MAIL ADDRESS;**

22                   **(4) THE LENGTH OF TIME THE ENTITY HAS BEEN IN EXISTENCE**  
23 **AND THE LENGTH OF TIME THE ENTITY HAS PROVIDED COMMUNITY**  
24 **ASSOCIATION MANAGEMENT SERVICES; AND**

25                   **(5) A LISTING OF ALL COMMUNITY ASSOCIATIONS IN THE STATE**  
26 **AS OF DECEMBER 31 OF THE PREVIOUS YEAR FOR WHICH THE ENTITY**  
27 **PROVIDED COMMUNITY ASSOCIATION MANAGEMENT SERVICES.**

28           **(F) THE DEPARTMENT MAY MAKE ANY INFORMATION RECEIVED UNDER**  
29 **THIS SECTION AVAILABLE TO THE PUBLIC, SUBJECT TO THE PROVISIONS OF**  
30 **THE MARYLAND PUBLIC INFORMATION ACT.**

1           **(G) A PERSON WHO COMMITS A WILLFUL VIOLATION OF THIS SECTION**  
2 **OR WHO CAUSES ANOTHER PERSON TO COMMIT A WILLFUL VIOLATION OF THIS**  
3 **SECTION IS GUILTY OF A MISDEMEANOR AND ON CONVICTION IS SUBJECT TO A**  
4 **FINE NOT EXCEEDING \$1,000.**

5           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
6 October 1, 2011.